

RESOLUTION NO. 2025-01

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY AMENDING THE SPHERE OF INFLUENCE (SOI) OF THE SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT (CCFD), DISSOLVING THE SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT (SCFD), AND ANNEXING ITS TERRITORY TO CCFD

SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT DISSOLUTION AND SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT ANNEXATION / SPHERE OF INFLUENCE AMENDMENT

RESOLVED by the Local Agency Formation Commission of Santa Clara County, State of California, that

WHEREAS, on January 14, 2025, the Board of Directors of the SCFD adopted Resolution No. SCFD 2025-01 initiating application by the SCFD requesting the Commission pursue proceedings for the dissolution of the SCFD and the annexation of its territories into the CCFD, and taking further actions consistent therewith; and

WHEREAS, on January 14, 2025, the Board of Directors of the CCFD adopted Resolution No. CCFD 2025-01 initiating application by the CCFD for the dissolution of the SCFD and annexation of its territory into the CCFD; and requesting an amendment of CCFD's Sphere of Influence (SOI); and

WHEREAS, under GC §56853(a), if the legislative bodies of two or more local agencies adopt substantially similar resolutions of application in support of the consolidation of districts or for the reorganization of all or part of the districts into a single local agency, a commission shall approve or conditionally approve the reorganization proposal;

WHEREAS, the SCFD and CCFD Boards of Directors have adopted substantially similar resolutions initiating application in support of the proposed reorganization, and, therefore Santa Clara LAFCO shall approve or conditionally approve the reorganization proposal;

WHEREAS, pursuant to GC §56653, the application includes a "Plan for Services" which provides (1) an enumeration and description of services currently provided or to be provided; (2) the level and range of those services; (3) an indication of when the services can feasibly be extended; (4) an indication of any improvements and augmented services levels; and (5) information on how the services will be financed; and

WHEREAS, California Revenue and Taxation Code Section 99(b)(5) requires that when organizational changes affect the service area or service responsibility of one or more special districts, the County Board of Supervisors shall, on behalf of the districts, negotiate any property tax transfers associated with those changes and adopt a resolution identifying the transfers. The County Board of Supervisors, on behalf of both the CCFD and the SCFD negotiated the exchange of property tax revenues, and adopted a property tax exchange agreement on January 28, 2025; and

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WHEREAS, the Executive Officer on March 6, 2025, issued a Certificate of Filing deeming the application complete and setting the matter for hearing; and

WHEREAS, the subject proposal is assigned the distinctive short form designation: “South Santa Clara County Fire Protection District Dissolution and Santa Clara County Central Fire Protection District Annexation / Sphere of Influence Amendment”; and

WHEREAS, the affected territory is inhabited as defined in GC §56046.

WHEREAS, at the time and in the manner required by law, the Executive Office gave public notice of the Commission’s hearing on this proposal; and

WHEREAS, the Executive Officer has reviewed the proposal and prepared a report incorporated herein by reference, including her recommendation, the proposal and report having been presented to and considered by this Commission; and

WHEREAS, the reorganization proposal is subject to protest proceedings pursuant to GC §57000; and

WHEREAS, LAFCO, on June 13, 2001, delegated authority to the Executive Officer to conduct protest proceedings and perform any functions otherwise required of the Commission in regard to its responsibilities as a conducting authority; and

WHEREAS, a public hearing was held by the Commission on April 2, 2025; and at the hearing the Commission received and considered all oral and written comments, which were made, presented or filed; and

NOW, THEREFORE, LAFCO, does hereby resolve, determine and order as follows:

SECTION 1:

1. As a Responsible Agency under the California Environmental Quality Act (CEQA), LAFCO finds that the proposed reorganization is categorically exempt from CEQA pursuant to CEQA Guidelines §15320(b) (Class 20 – Changes of Organization of Local Agencies), which is consistent with the determination made by CCFD, as Lead Agency under CEQA and presented in Resolution No. CFPD 2025-01.

SECTION 2:

1. The Commission hereby approves the amendment of the CCFD SOI to include all lands contained in the SOI of the SCFD, as depicted in **Exhibit A**, and adopts the SOI determinations, including a statement on the nature, location and extent of any functions or classes of services provided, as presented in **Exhibit B**.

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2. The Commission hereby approves the proposed reorganization consisting of the dissolution of the SCFD and the annexation of its territory to CCFD, as depicted in **Exhibit A**, and subject to terms and conditions included in Section 3 of this resolution.
3. The effective date of the SOI amendment, and reorganization consisting of the SCFD dissolution, and annexation to CCFD of SCFD territory, shall be the later of the date of recordation of the Certificate of Completion, or July 1, 2025.

SECTION 3:

1. Approval of the reorganization is subject to the following terms and conditions:
 - a. **Successor Agency.** Upon the effective date of the reorganization, the SCFD shall be dissolved, terminated, and all of its corporate powers shall cease. All rights, responsibilities, and functions of SCFD will be transferred to CCFD, as the successor agency. CCFD, as successor agency to SCFD, shall function under and carry out all authorized duties and responsibilities assigned to a fire protection district as provided in the Health and Safety Code (§13800 et seq.).
 - b. **Revenue Transfer.**
Upon the effective date of the reorganization, CCFD shall levy, collect, track and administer all revenue, income, and previously authorized funds, charges, fees, assessments, and taxes currently in effect, levied, or collected by SCFD, including, but not limited to, property and other taxes.
 - c. **Transfer of Assets & Liabilities.**
Upon the effective date of the reorganization, all assets and liabilities, including but not limited to debts, obligations, equipment, facilities, property, cash, fund balances or other fiscal matters of SCFD shall become the assets and liabilities of CCFD.
 - d. **Successor Agency Revenue Sources.**
CCFD, as successor agency, will continue to be financed through property taxes, benefit assessments, special assessments and taxes, fees and charges, and all other revenue currently in effect and being collected by CCFD and SCFD. Until otherwise determined by the CCFD Board of Directors, pursuant to GC §56886(t), any previously authorized charge, fee, assessment, or tax within the SCFD territory shall be extended or continued by CCFD, as successor agency.
 - e. **Governance – Board of Directors**
The total composition of the CCFD Board of Directors will remain the same.

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f. Use of Funds.

CCFD will ensure that all funds derived from the territory of the former SCFD are accounted for and expended for the provision of fire services within the reorganized CCFD in compliance with all applicable measures, ordinances, statutes and regulations of CCFD.

g. Plan for Services.

Upon the effective date of the reorganization, CCFD as the successor agency shall serve the dissolved SCFD service territory through implementation of the Plan for Services until and unless it is determined by the CCFD Board of Directors that fiscal or service requirements justify changes to the Plan for Services. CCFD shall provide LAFCO annually and for the next 2 years, a written update on how the Plan for Services included with the LAFCO application has been implemented.

SECTION 4:

1. The Commission hereby directs the Executive Officer to give notice and conduct protest proceedings, as provided for in GC §57000 et seq., as soon as possible.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Clara County, State of California, on April 2, 2025, by the following vote:

AYES: ARENAS, BEALL, CHAPMAN (Alternate to KISHIMOTO), KAMEI, LEE, TRUMBULL

NOES: TURNER

ABSENT: None

ABSTAIN: None

DocuSigned by:
Sylvia Arenas
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Sylvia Arenas, Chairperson
LAFCO of Santa Clara County

ATTEST:

DocuSigned by:
Emmanuel Abello
43C41738CE194CA...
Emmanuel Abello, LAFCO Analyst

APPROVED AS TO FORM:

Signed by:
Malathy Subramanian
0BF2DA8CFE264DA...
Malathy Subramanian, LAFCO Counsel

Attachments to Resolution No. 2025-01

1. Exhibit "A" Map of CCFD and SCFD Boundaries
2. Exhibit "B" CCFD SOI determinations

EXHIBIT A

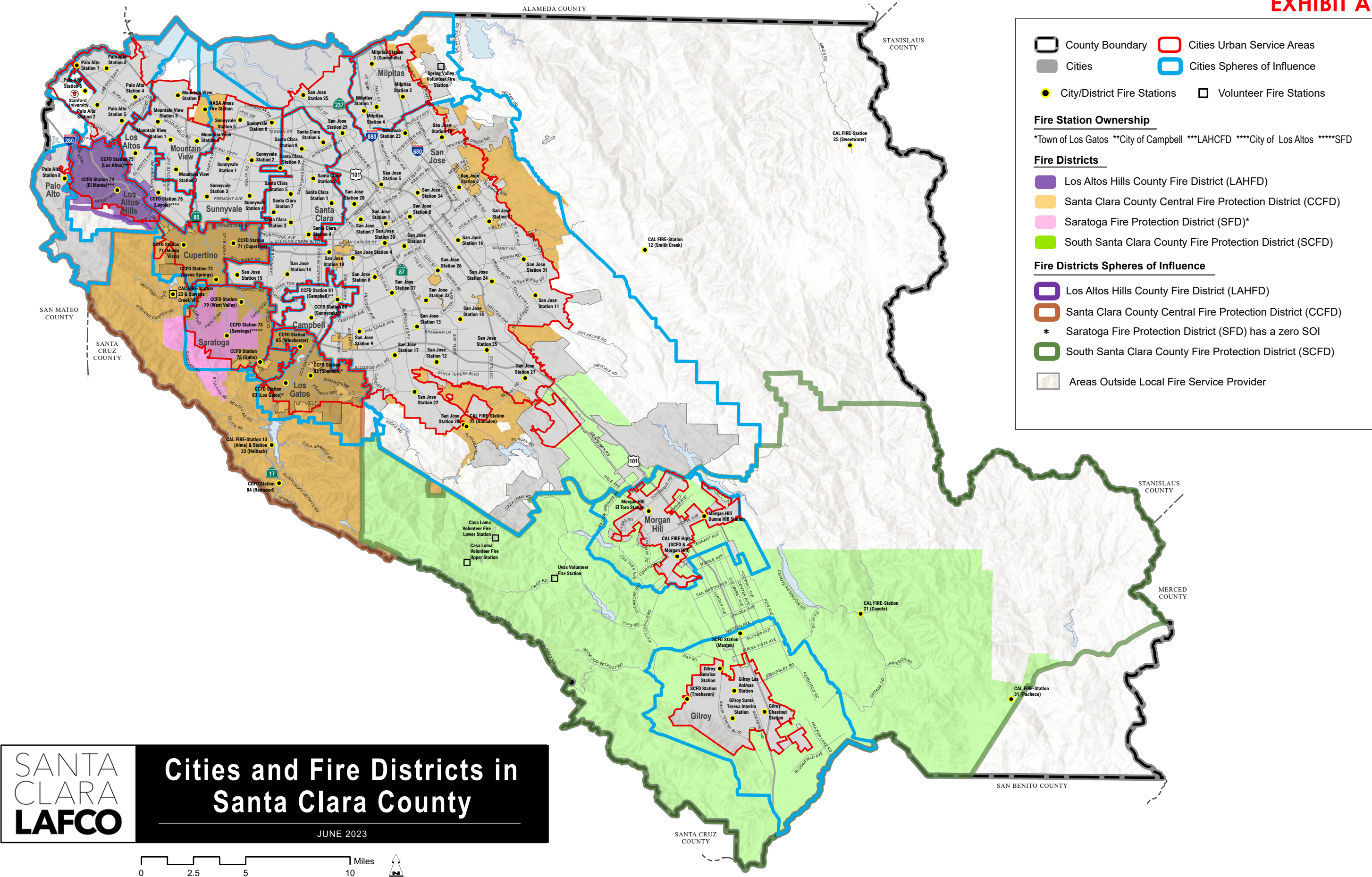


EXHIBIT B

Santa Clara County Central Fire Protection District (CCFD) Sphere of Influence Determinations

SPHERE OF INFLUENCE DETERMINATIONS

1. Present and planned land uses in the area, including agricultural and open-space lands

CCFD provides fire and EMS service to the unincorporated areas in the Santa Cruz mountains, the cities of Cupertino, Los Gatos, Monte Sereno, and a portion of Saratoga, as part of its inherent service area; and by contract to the cities of Campbell and Los Altos; and to the Los Altos Hills County Fire District and the Saratoga Fire Protection District. The expansive area encompasses a variety of land uses, but is predominantly single-family residential, with limited commercial and industrial development and some agricultural and open space lands in the hillside areas. Under the various cities' existing General Plans and the County General Plan, lands uses in CCFD are not expected to change.

Territory within SCFD's boundary and SOI are unincorporated lands designated by the County General Plan as agriculture, open space lands, rural residential, and regional parks. SCFD's boundaries also include remote areas of the Santa Cruz Mountains and the Diablo Range designated as hillside and ranchlands with resource conservation lands and a portion of the Henry Coe State Park. The boundaries also include the rural residential communities of San Martin and Corde Valle. Some limited commercial and industrial uses are located in San Martin and along Pacheco Pass Highway. The unincorporated area within SCFD's boundary and SOI is planned to remain non-urban in character and predominantly rural residential, agricultural, and open space in accordance with the County's General Plan.

The proposed expansion of CCFD's SOI to add the SCFD SOI will not facilitate new development or changes in land use and will have no impact on agricultural and open-space lands.

2. Present and probable need for public facilities and services in the area

In 2022, there were over 19,000 incidents within CCFD's bounds and its contract areas, indicating a need for the services provided, in particular for rescue and medical responses which constituted 59% of calls. Calls for service within CCFD declined in 2020 and grew through 2022. This area is projected to have a cumulative growth rate of 13% between 2020 and 2035, or 0.8% annually and 13% between 2035 to 2050, or 0.8% annually, indicating a likely analogous increase in demand for fire and emergency medical services.

In 2022, there were over 15,000 incidents within SCFD's bounds, indicating a need for the services provided, in particular for rescue and medical responses which constituted 61% of calls. Calls for service within SCFD consistently increased between 2018 and 2022. This area is projected to have a cumulative growth rate of 0.07% between 2020

and 2035, or <0.01% annually and 5% between 2035 to 2050, or 0.32% annually, indicating a likely analogous increase in demand for fire and emergency medical services.

LAFCO's Countywide Service Review, adopted in 2023, found that some growth is anticipated within CCFD's current territory and to a much lesser degree within SCFD's current territory. This very modest amount of growth will slightly increase the demand for fire and emergency medical response services in these areas.

3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide

CCFD operates 15 fire stations throughout the district, with 339 safety and civilian personnel. CCFD provides an adequate level of services and has the capacity to serve existing demand within its service area, including contract agencies.

While CCFD is a large, well-funded, all risk fire district with a stable and growing revenue stream, financial limitations pose the greatest threat to SCFD's ability to provide services to existing and future growth in demand. The Service Review found that additional revenues or reduced costs are necessary to ensure sustainability of SCFD's operations.

As noted in the Plan for Services, only one (Masten) of the four existing fire stations that SCFD currently uses will be transferred to CCFD, and all apparatus owned by SCFD will be transferred to CCFD, as part of the reorganization. Therefore, CCFD will need to enter into a separate agreement with the City of Gilroy to lease an existing fire station (Treehaven,) and establish at least one temporary fire station, until a permanent fire station site can be located and developed.

4. Existence of any social or economic communities of interest in the area

The cities of Campbell, Cupertino, Los Altos, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, San José, Santa Clara, Saratoga, and Los Altos Hills, as well as the surrounding incorporated communities, affect CCFD's service provision and demand for services and are considered social and economic communities of interest.

SCFD serves all of South County with the exception of the cities of Morgan Hill and Gilroy. Within the SCFD's boundaries are rural residential communities such as San Martin. However, a majority of the district consists of a patchwork of low-density rural residential development that is socially and economically independent of one another.

Upon reorganization, CCFD's social or communities of interest will include rural residential communities that were served by SCFD, such as San Martin.

5. Present and probable need for public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence

As part of LAFCO's Countywide Fire Service Review, adopted in October 2023, one disadvantaged unincorporated community (DUC) was identified within CCFD, outside of CCFD's SOI. This DUC is also located within and adjacent to the City of San José and its SOI—identified as San José #1. This DUC has an estimated population of 1,656, with a

median household income of \$54,917. Fire services are provided to the DUC by San José FD through the Zone 1 contract with CCFD. There were no DUCs identified in SCFD.

6. The nature, location, and extent of functions, and classes of services provided

CCFD provides a full range of services, including fire suppression, wildland fire suppression, statewide mobilization, EMS first response, specialized/technical rescue, HazMat response, fire inspection/code enforcement, plan reviews, public education/prevention, arson investigation, and fuels mitigation, within its service area as described above.